

**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
CONSUMER SERVICES DIVISION**

IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Mortgage Broker Practices Act of Washington by:

Bayside Financial Corporation, and Thomas R.  
Merritt, Designated Broker,  
  
Respondents.

NO. C-03-019-03-CO01

CONSENT ORDER

RESPONDENT BAYSIDE  
FINANCIAL CORPORATION

COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Mark Thomson, Assistant Director, Division of Consumer Services, and Bayside Financial Corporation (hereinafter as "Respondent"), and finding that the issues raised in the captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

**I. AGREEMENT AND ORDER**

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-03-019-03-SC01, entered January 29, 2003, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve Statement of Charges No. C-02-019-03-SC01, entered January 29, 2003.

Based upon the foregoing:

A. It is AGREED that the Department has jurisdiction over the subject matter of the activities discussed herein.

CONSENT ORDER

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DEPARTMENT OF FINANCIAL INSTITUTIONS  
Division of Consumer Services  
210 11<sup>th</sup> Ave SW, Room 300  
PO Box 41200  
Olympia, WA 98504-1200  
(360) 902-8795

1 B. It is AGREED that Respondent has been informed of the right to a hearing before an administrative law  
2 judge, and that they have waived their right to a hearing and any and all administrative and judicial review of the issues  
3 raised in this matter, or of the resolution reached herein.

4 C. It is AGREED that Respondent shall pay a fine of \$1,250.00 to the Department upon entry of this order.  
5 Entry of this order is the date upon which the order is signed by the Director's designee.

6 D. It is AGREED that Respondent shall pay an examination fee of \$231.30, calculated at \$46.26 per hour for  
7 5 staff hours devoted to the investigation.

8 E. It is AGREED that Respondent shall pay the cumulative annual assessments due which total \$1,013.95.

9 F. It is AGREED that Respondent immediately shall surrender their mortgage broker license, no. 510-MB-  
10 0828-00.

11 G. Respondent AGREES to comply with the Mortgage Broker Practices Act and the rules adopted  
12 thereunder, especially the provisions relating to maintenance of records. Respondent further AGREES immediately  
13 upon entry of this order to provide the Department with the fully completed "Mortgage Broker Office Closure/License  
14 Surrender Form" which among other things indicates the location of its records.

15 H. It is AGREED that once representatives of the main office of Respondent Bayside Financial Corporation  
16 became aware of the Statement of Charges and the circumstances described therein, Respondent Bayside Financial  
17 Corporation immediately responded and cooperated with the Department to resolve the issues raised in the Statement of  
18 Charges. Respondent further provided the Department with correspondence to and documentation from the Washington  
19 State Department of Revenue and the Washington State Secretary of State regarding the Respondent's applications for  
20 certificates of withdrawal of their corporation.

21 I. It is AGREED that the conduct giving rise to the issuance of the above-referenced Statement of Charges  
22 will not be considered by the Department in the assessment of any future application for mortgage broker license in the  
23 state of Washington, in the event Respondent wishes to pursue such application.

1 J. It is AGREED that the undersigned have represented and warranted that they have the full power and right  
2 to execute this Consent Order on behalf of the parties represented.

3 K. It is AGREED that the undersigned Respondents have voluntarily entered into this Consent Order, which is  
4 effective when signed by the Director's designee.

5 **RESPONDENTS:**

6 **Bayside Financial Corporation**

7 By:

8 /V. Richard Domines/  
Signature

3-10-3  
Date

9 V. Richard Domines, CFO  
10 Print Name and Title

11  
12  
13 THIS ORDER ENTERED THIS 18th DAY OF March, 2003.

14  
15 /S/  
16 Mark Thomson, Assistant Director  
17 Division of Consumer Services  
18 Department of Financial Institution  
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